

# Construction Costs - 1938 vs. 1944

Whether you intend to build a home for yourself after the war or a number of homes for sale or an apartment development for investment, you are bound to be interested in this comparison of construction costs between the years 1938 and 1944. When someone tells you that he recently made a whale of a profit on the sale of his home purchased new within the past five or six years, you will realize, after you have read this comparative cost sheet, that he may be deluding himself.

If he immediately buys a similar home elsewhere he will pay that seller the so-called profit which he took out of his first purchase. If he delays the purchase of another home he will probably suffer a loss since construction costs (if they follow the pattern of the last war) will increase more after than during the war.

The cost study (see center spread) was prepared for me by Karl F. Otto, an architect whose practice lies chiefly among operative builders, for many of whom he takes bids from subcontractors. All unit prices, as well as architect's fee, are based upon a group of fifty homes erected in one operation in suburban Philadelphia and are not to be confused with those pertaining to the erection of one home. However, the **percentage** of increase in costs is equally applicable to a single home.

The cost sheet does not include the cost of street improvements (grading, sewer, water, gas, laterals, curb and cartway paving) all of which have increased in price, nor does it reflect the inferior materials and substitutions and eliminations which must be accepted in today's new home. A substantial monetary allowance for such items must be added to secure a true picture. All costs are based upon materials and quantities which are permitted by governmental war regulations.

The home on which the costs were based is a single one, all brick with shingle roof. Main unit 28' x 21' containing living room, dining room and kitchen downstairs and two of the three bedrooms and bath up, with a 19' x 11' rear wing containing garage and the third bedroom over.

The chief differences between the 1938 home and that of today are: (1) Main transverse support was a steel column and a steel girder—now a brick pier and wooden girder. (2) Today's lumber is inferior with double the moisture content. (3) Millwork finish was Western Sugar or Idaho White Pine—today it is Eastern Poplar, Fir or some of the softer growth Arkansas or North Carolina Pine. (4) Wood gutters instead of copper or galvanized iron. (5) Copper pipe has given way to galvanized steel; chrome plated supplies and fittings to plain galvanized, black enameled or at best, dull chrome supplies. (6) Same price is paid for a 21" "Victory" model gas range as was formerly paid for the 40" full enameled and insulated range. (7) The house of 1938 was heated with a jacketed hot water boiler and recessed convector radiators. Today only a WPB emasculated warm air system without return ducts, blower or thermostat is permitted. (8) In 1938, 35 electric outlets were installed, today, only 18 outlets are permitted. (9) Brass finish hardware has given way to plastics in many cases. (10) \$65 in 1938 papered the house with 30c and 35c wall papers; today \$75 provides 15c and 20c qualities. (11) Overhead garage doors are supplanted by hinged doors.

If you or any of your clients intend to build after the war, I will be very glad to discuss with you now the many advantages of arranging your construction loan through me.

The company which I represent has, for over 50 years, been insuring



mortgagees against loss by reason of the builder failing to complete his buildings and free of mechanics liens and arranging construction and permanent loans. Its activities cover a broad financial field; from a tiny home in Collingdale for the night fireman employed in the boiler room of a Philadelphia Bank to homes on the Main Line, in the \$30,000 to \$50,000 bracket, erected by that area's outstanding builders. Geographically, it is disbursing the construction funds (over \$2,000,000) for a development of 650 homes now being completed in Darby by America's largest builder of homes as well as 472 homes now well under way in Allentown. It arranged the financing for the construction and permanent loan on one of America's most picturesque apartment developments

### THE 5990 "MIRACLE" HOME OF 1938

(Prepared by Karl F. Otto, Architect—

Quantity			Unit Price	1938 Cost
1		Architect	\$10.00	\$10.00
2	140 Yds.	Excavating	.40	56.00
3	57 Pch.	Stone Work	4.75	270.75
4	90 Yds.	Auto Driveway (Black Top)	.90	81.00
5	18 L.F.	C. W. Area Coping	.80	14.40
6	468 S.F.	Cellar Floor	.11	51.48
7	198 "	Garage Floor	.18	35.64
8	96 "	Porch Floor	.22	21.12
9	6.5 "	Concrete Steps	.80	5.20
10	50 "	" Curb	.80	40.00
11	282 "	" Walks (50' lot—25' setback)	.22	62.04
12	22000	Brick Work	25.00	550.00
13	490 Yds.	Plastering	.55	269.50
14	5200 B.F.	Structural Lumber	36.00	187.20
15	100 "	Sheathing Boards	34.00	3.40
16	1550 "	Sub Flooring	28.00	43.40
17	200 "	Bev. Siding	75.00	15.00
18	240 L.F.	1 x 3 Bridging	10.00	2.40
19	4000 "	1 x 2 Furring	7.50	30.00
20	96 S.F.	Vaporseal Sheathing	60.00	5.76
21	13½ Sq.	24" Wood Shingles	6.50	87.75
22		Millwork and Stairs		375.00
23		Kitchen Cabinets		55.00
24		Carpenter Work		285.00
25		Common Labor		30.00
26		Sheet Metal and Spouting		45.00
27	1010 S.F.	Hardwood Floors	.13	131.30
28	12 Yds.	Linoleum Floors	1.50	18.00
29		Tile Work		62.00
30		Hardware (Rgh. and Fin.)		65.00
31		Caulking		15.00
32		Weatherstrip		22.00
33	900 S.F.	Insulation	.04	36.00
34		Paperhanging		65.00
35		Painting and Glazing		100.00
36		Plumbing		340.00
37		Heating (1938 H.W.)—(1944 W.A.)		265.00
38		Electric Wiring and Fixtures		85.00
39		Gas Range		37.50
40		Grading—Seeding—Shrubbery		75.00
41		Incidentals		55.00
				<u>\$4003.84</u>



in Jenkintown; also Pilgrim Gardens Apartments in Aronimink Section of Drexel Hill (660 rooms).

No loan is too modest for the staff to take a personal interest in nor too large for the company to handle.

Unusual interest rates may be had on mortgage loans in excess of \$200,000 upon modern commercial or apartment buildings (existing or to be built) in Philadelphia, Camden, Wilmington and Eastern Pennsylvania towns.

C. L. ROACH

Fourth Floor McClatchy Building

69th and Market Sts., Upper Darby, Pa.

Boulevard 4900

### COMPARABLE COST FEBRUARY 1944

6908 Market Street, Upper Darby, Pa.)

Sub-Totals	Unit Price	1944 Cost	Sub-Totals	% Increase
\$10.00	\$10.00	\$10.00	\$10.00	0
	.55	77.00		
	7.00	399.00		
C. L. Roach delivers	1.35	121.50		
Settlement Certificates	1.25	22.50		
One Week on	.15	70.20		
Bring-Downs	.20	39.60		
	.25	24.00		
	1.00	6.50		
	1.00	50.00		
637.63	.25	70.50	880.80	38
550.00	35.00	770.00	770.00	40
269.50	.65	318.50	318.50	18
	60.00	312.00		
	60.00	6.00		
C. L. Roach arranges	55.00	85.25		
Construction Loans for	125.00	25.00		
1 House or 1000	18.50	4.46		
	11.00	44.00		
	75.00	7.20		
374.91	10.00	135.00	618.91	65+
375.00		425.00	425.00	13+
55.00		75.00	75.00	36
285.00		400.00	400.00	40+
30.00		50.00	50.00	67+
45.00		60.00	60.00	33+
	.18	181.80		
149.30	1.80	21.60	203.40	36+
62.00		75.00	75.00	21+
65.00		80.00	80.00	23
		25.00		
		28.90		
73.00	.06	54.00	107.90	47+
		75.00		
165.00	At every Settlement, C. L. Roach	135.00	210.00	27+
	furnishes all parties with typed	400.00		
	copies of the Settlement Sheet	285.00		
	and shows the Buyer how much	100.00		
727.50	he has reduced his Income Tax	37.50	822.50	13+
	by switching his position from	100.00		
130.00	Tenant to that of Home-Owner.	75.00	175.00	34+
\$4003.84		\$5282.01	\$5282.01	32%

C. L. Roach has 4% Funds.  
for 50% Loans on  
Modern Homes.

C. L. Roach makes Settlements  
at 69th and Market Streets, a  
very accessible location.



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The above Ad is appearing in the February 1944 issue of Delaware County Magazine, the official publication of the Delaware County Real Estate Board.